Nokian Tyres plc Stock Exchange Release 3 November 2010, 8 a.m.

INTERIM REPORT FOR NOKIAN TYRES PLC JANUARY-SEPTEMBER 2010:
Sales and order book continued to improve, operating profit doubled

The Group’s net sales increased by 25.2% to EUR 689.4 million (EUR 550.8 million in Jan-September 2009). Operating profit grew to EUR 130.4 million (EUR 61.2 million) and Earnings per share increased to EUR 0.85 (EUR 0.23).

Outlook and guidance (unchanged):
In 2010, the company is positioned to clearly improve net sales and operating result compared to 2009.

Key figures, EUR million:

	7-9/10	7-9/09	1-9/10	1-9/09	2009
Net sales	245.2	204.1	689.4	550.8	798.5
Operating profit	48.3	43.7	130.4	61.2	102.0
Profit before tax	39.6	32.1	122.5	26.7	73.5
Profit for the period	34.5	27.5	107.1	29.0	58.3
Earnings per share, EUR	0.27	0.22	0.85	0.23	0.47
Equity ratio,%			58.2	50.5	62.0
Cash flow from operations	-12.0	-37.5	-39.3	-126.1	123.1
RONA,% (rolling 12 months)			13.9	8.6	8.4
Gearing,%			44.9	72.0	34.8

Kim Gran, President and CEO:

“The positive trend on Nokian Tyres’ core markets continues to gain strength. Our operations are ramped up accordingly but demand exceeded delivery capability during Q3 and pushed deliveries and sales to Q4.

The demand for Nokian Tyres’ core products has seen a very strong growth during Q2 and Q3 and continues to grow. The growth is driven by improving economies in the Nordic countries and Russia, strong growth in sales of new cars and better consumer confidence.

Our sales in Q3 were strong with order book continuing to grow throughout the quarter. Improvement in sales and results, however, were limited by lack of production capacity and low inventories after high preseason sales in Q2. The production caught better up with demand in September. We managed to get our new lines in Russia in full production by the end of the quarter which will help us to improve productivity and sales in Q4 and going forward.

Car tyre price increases were implemented as planned and had a clear positive effect on Average Selling Price with a delay as from September. Raw material cost increase still had a negative impact on margins in Q3. The ASP continues to increase with mix improvement and further price increases becoming effective in Q4. Our target of a more than 4% ASP improvement for full year 2010 seems realistic.

Going into Q4 our order book is very healthy and it provides us with a good opportunity to increase sales, again operating more selectively. An improving market and our restructuring operations have left us with untapped potential for further growth both short and long term. In order to secure growth, two additional production lines for Russia (numbers 9 and 10) have been ordered for installation and commissioning in 2011. This will further improve output and productivity when going forward.

Our main challenges for Q4 are to further ramp up production in order to keep up with growing demand and to continue to increase prices and improve mix to offset higher raw material costs.

Conclusive test wins for our products in car magazines, success in adding 41 new members in Q3 to the Vianor network now totalling 714 shops as well as additional capacity offer a good starting point for further profitable growth."

Market situation

The global economy turnaround that started in late 2009 has continued. Easier monetary policies and low interest rates improved global macro indicators. Growth rates of the developed countries were exceeded by those in the emerging markets. In Europe there was uncertainty related to the governmental borrowing and its effects to financial markets. Some double-dip fear emerged mainly due to the economic indicators of the USA.

Positive signs in the Nokian Tyres' core markets strengthened. In the first nine months of 2010 the new car sales increased in the Nordic countries by 33% year-over-year. In Russia the new car sales development turned positive in March followed by growth of 51% in Q3/2010 versus Q3/2009 and 18% in 1-9/2010 compared with 1-9/2009. New car sales in Russia are expected to increase by more than 20% in 2010 compared to 2009.

The aftermarket sales volume for car tyres increased in the Nordic countries by an estimated 10% and in Europe by 9% in 1-9/2010 year-over-year. Tyre deliveries increased more clearly in Russia, trailing the stabilizing economy, lower stocks of distributors and improved consumer confidence. True winter with heavy snowfall in all Europe and Russia caused strong winter tyre consumer sales in Q1 and cut inventory levels, which increased demand for winter tyre preseason sales in the second and third quarter, thus presenting good opportunities for sales growth in 2010.

Heavy tyres' demand has continued to improve supported by a clear increase in forest and mining machine manufacture. In the aftermarket demand has also increased for other special use machine tyres, i.e. container handling. The increase derives from improved demand and prices of pulp, sawmill products and metals.

Truck manufacturers have clearly increased production volumes, thus creating demand for OE tyres and some short supply in the truck tyre aftermarket.

Overall, the market environment has improved clearly and demand exceeds supply in many product groups and sizes.

Raw material prices have risen significantly since early 2009; the price for natural rubber has roughly tripled. Oil-based materials have also risen significantly and some materials are in short supply. In the third quarter of 2010 higher raw material costs have started to have a negative effect on the operating profits of the tyre manufacturers. The tyre industry has announced consecutive price increases to offset the effect of increasing raw material costs, first ones effective from early summer 2010, further increases taking place in the rest of the year and in early 2011.

July-September 2010

In the third quarter of 2010 Nokian Tyres Group recorded net sales of EUR 245.2 million (204.1), showing an increase of 20.2% on the corresponding period a year earlier. Sales increased in the Nordic countries by 26.7% and in Russia by 79.5%. The consolidated sales in Russia and CIS decreased by 4.9%. In Central and Eastern Europe sales grew by 32.2% and in North America by 35.6%.

Raw material cost (EUR/kg) in manufacturing increased in the third quarter by 26.4% year-over-year and 11.6% versus the second quarter of 2010. Fixed costs were EUR 70.3 million (62.1), accounting for 28.7% (30.4%) of net sales.

Nokian Tyres Group’s operating profit was EUR 48.3 million (43.7). Net financial expenses were EUR 8.7 million (11.7). Net interest expenses were EUR 4.3 million including EUR 2.1 million in non-cash expenses related to convertible bonds. Net financial expenses include EUR -4.4 million (-5.5) of exchange rate differences.

Profit before tax was EUR 39.6 million (32.1). Profit for the period amounted to EUR 34.5 million (27.5), and EPS were EUR 0.27 (EUR 0.22).

Income financing after the change in working capital, investments and the disposal of fixed assets (Cash flow from operations) was EUR -12.0 million (-37.5).

January-September 2010

Nokian Tyres Group recorded net sales of EUR 689.4 million (550.8), showing an increase of 25.2% on the corresponding period a year earlier. In the Nordic countries sales increased by 25.0% representing 42% (43%) of the group’s total sales. Sales in Russia increased by 74.5%. Russia and CIS consolidated sales grew by 21.0% and formed 21% (22%) of the group’s total sales. In Central and Eastern Europe sales were up by 36.9% year-over-year representing 27% (24%) of the group’s total sales. In North America sales grew by 6.6% and were 9% (11%) of the group’s total sales.

Sales of passenger car tyres were up by 25.9% representing 65% (64%) of the group’s total sales. Heavy tyres’ sales increased by 59.2% and were 7% (6%) of the group’s total sales. Vianor’s sales grew by 9.8% forming 24% (27%) of the group’s total sales. The sales of Other operations was up by 47.0% representing 4% (3%) of the group’s total sales.

Raw material cost (EUR/kg) in manufacturing decreased in the review period by 2.8% year-over-year. Fixed costs amounted to EUR 217.9 million (199.0), accounting for 31.6% (36.1%) of net sales. Total salaries and wages were EUR 102.2 million (93.9).

Nokian Tyres Group's operating profit amounted to EUR 130.4 million (61.2). This was positively affected by a real estate sales profit of EUR 1.8 million. The operating profit was negatively affected by the IFRS 2 -compliant option scheme write-off of EUR 4.7 million (9.0) and expensed credit losses and provisions of EUR 0.5 million (4.0).

Net financial expenses were EUR 7.9 million (34.5). Net interest expenses were EUR 14.3 million (14.0) including EUR 6.0 million (5.7) in non-cash expenses related to convertible bonds. Net financial expenses include EUR 6.4 million (-20.5) of exchange rate differences.

Profit before tax was EUR 122.5 million (26.7). Profit for the period amounted to EUR 107.1 million (29.0), and EPS were EUR 0.85 (EUR 0.23).

Return on net assets (RONA, rolling 12 months) was 13.9% (8.6%). Income financing after the change in working capital, investments and the disposal of fixed assets (Cash flow from operations) was EUR -39.3 million (-126.1).

The Group employed an average of 3,262 (3,536) people, and 3,411 (3,259) at the end of the period. The Vianor tyre chain employed 1,395 (1,341) people and Russian operations 815 (640) people at the end of the period.

Financial position by 30 September 2010

Gearing ratio was 44.9% (72.0%). Interest-bearing net debt amounted to EUR 382.9 million (521.2). Equity ratio was 58.2% (50.5%).

The Group’s interest-bearing liabilities totalled EUR 430.0 million (537.5) of which current interest-bearing liabilities amounted to EUR 226.9 million (322.8). The average interest rate of interest-bearing liabilities was 3.20% (3.35%). The average interest rate of interest-bearing liabilities was 1.44% (1.97%) with calculatory non-cash expenses related to the convertible bond eliminated.

At the end of the review period the company had unused credit limits amounting to EUR 322.2 million (255.6) of which EUR 235.9 million (186.0) were committed. The current credit limits and the commercial paper program are used to finance inventories, trade receivables, subsidiaries in distribution chains and thus control the typical seasonality in the Group’s cash flow due to changes in the working capital.

Tax rate

The Group’s tax rate in 2010 is expected to fall below the rate of 2009 (20.7%). The tax rate is effected by tax relieves in Russia continuing for the next two years based on present investments and thereafter subject to further investment-related incentive agreements.

PASSENGER CAR TYRES

	7-9/10	7-9/09	Change%	1-9/10	1-9/09	Change%	2009
Net sales, m€	174.7	146.7	19.0	493.3	391.7	25.9	527.3
Operating profit, m€	48.7	43.3	12.5	135.6	78.1	73.7	106.2
Operating profit, %	27.9	29.5		27.5	19.9		20.1
RONA, % (rolling 12 months)				18.2	11.4		11.7

The net sales of Nokian Passenger Car Tyres in January-September totalled EUR 493.3 million (391.7), up by 25.9% from the corresponding period in 2009. Operating profit was EUR 135.6 million (78.1) and the operating profit percentage was 27.5% (19.9%).

Sales development was good throughout the review period. Inventories going into Q3/2010 were very low due to strong preseason sales in Q2, and despite the ramp-up in production demand exceeded supply in Q3. Deliveries of orders were delayed with sales being pushed to Q4. Sales growth came from a significant increase in winter tyre preseason sales in Russia. Sales were also up in the Nordic Countries as well as in Central and Eastern Europe, beating already the previous all-time-high numbers of 2008. Nokian Tyres increased its market share in all sales areas mentioned. The winter tyres’ share of total sales grew year-over-year. The company’s spearhead product Nokian Hakkapeliitta 7, a studded winter tyre for northern conditions, won practically all car magazine tyre tests in the Nordic countries and in Russia.

The Average Selling Price increased compared with the corresponding period a year earlier, despite a somewhat weaker winter tyre sales mix in Russia and an increased share of sales going to Central and Eastern Europe. Cash flow improved significantly due to lower inventories and investments compared to 1-9/2009.

The increased production volumes and restructuring with a higher share of production in Russia improved productivity. Two additional production lines (7&8) have been commissioned during 2010 and two more (9&10) have been ordered for installation in 2011.

The increasing raw material prices had a negative impact on margins in July-August. In order to compensate for this, price increases have been implemented for all tyre ranges. The impact of price increases became evident with a delay as from September. Further price increases will take place in the fourth quarter. An improving market will help to increase prices and our target of increasing average price by more than 4 % in 2010 versus 2009 is realistic.

The demand for Nokian core products is very healthy for the rest of 2010. The production capacity is ramped up further in order to fully utilize the growth potential.

HEAVY TYRES

	7-9/10	7-9/09	Change%	1-9/10	1-9/09	Change%	2009
Net sales, m€	18.3	12.0	51.7	55.4	34.8	59.2	50.1
Operating result, m€	1.7	1.8	-5.2	9.5	-2.2	525.3	0.0
Operating result, %	9.5	15.1		17.1	-6.4		0.0
RONA, % (rolling 12 months)				18.4	-0.03		0.0

The January–September net sales of Nokian Heavy Tyres totalled EUR 55.4 million (34.8), up by 59.2% year-over-year. Operating result was EUR 9.5 million (-2.2), and the operating result percentage was 17.1% (-6.4%).

Demand for heavy tyres has continued to grow in the forestry, mining and container handling sectors. Nokian Heavy Tyres' sales improved significantly in all special use product groups during the review period, with forestry tyres showing strongest growth. In Q3 low inventory and time lag in ramping up capacity limited sales growth and pushed sales into Q4 as demand exceeded supply capability.

A large share of sales to original equipment manufacturers with fixed prices until October have delayed price increases which in combination with higher raw material costs cut margins in Q3. Nokian Heavy Tyres has increased replacement market prices and further price increases for original equipment and replacement markets will take place in the fourth quarter and in the beginning of 2011.

The increase in production volumes improved capacity utilization and productivity in the first half of the year. In the third quarter the extra costs of capacity ramp-up increased fixed costs but will further improve output, productivity and customer service going into Q4.

Nokian Heavy Tyres achieved good results in developing its distribution network. New importers and new "Vianor Industrial" concept stores have been established to meet the increasing need for more technical services for the customers.

The demand for Nokian heavy tyres is very healthy and the demand exceeds the supply in many product groups. The focus for the rest of the year is to increase prices and further ramp-up of the production capacity.

VIANOR

Equity-owned operations

	7-9/10	7-9/09	Change%	1-9/10	1-9/09	Change%	2009
Net sales, m€	64.5	57.3	12.5	185.3	168.7	9.8	273.2
Operating result, m€	-2.8	-2.2	-29.9	-7.9	-10.8	26.9	-3.0
Operating result, %	-4.4	-3.8		-4.3	-6.4		-1.1
RONA, % (rolling 12 months)				-1.5	0.4		-3.2

Vianor’s net sales in January-September were EUR 185.3 million (168.7), up by 9.8% compared with the corresponding period in 2009. Operating result improved to EUR -7.9 million (-10.8) but was still negative due to seasonality. The operating result was positively affected by a real estate sales profit of EUR 1.8 million. The operating result percentage was -4.3% (-6.4%).

At the end of the review period Vianor had 168 equity-owned outlets in Finland, Sweden, Norway, USA, Switzerland and Russia. All customer and product groups showed positive sales development, the biggest improvement coming from the fleet customers and heavy industrial tyres. Fast fit service sales increased in double digit numbers. Vianor’s market shares in the core market areas are estimated to have improved from the previous year.

In the last quarter the focus will be on improving sales and market shares further, developing the fast fit services business, increasing retail tyre prices as well as improving cost efficiency.

Franchising and partner operations

In the third quarter Vianor expanded the franchise and partner network on Nokian Tyres’ core markets by 41 outlets. At the end of the review period, Vianor operated in 20 countries; most extensively in the Nordic countries, in Russia and in Ukraine. The global Vianor network comprised of 714 outlets of which 546 were partners. Market shares improved as a result of the expansion.

Expanding the partner franchise network will continue according to earlier plans; target is to have more than 740 outlets by the end of 2010.

OTHER OPERATIONS

Truck Tyres

The net sales of Nokian Truck Tyres were EUR 28.3 million (19.2), up by 47.0% from the previous year. Sales development was good in all market areas. Truck manufacturing grew clearly and caused additional demand for tyres also in the aftermarket. Nokian truck tyre market share increased in the Nordic countries, in Russia as well as in Central and Eastern Europe due to an improved product range in both

A- and B-segments. Sales of retreading materials improved due to better utilization rate in the transport sector and restocking by customers.

Truck Tyres benefited from the decreased raw material cost in both contract manufacturing purchases and in the own retreading operations in the first half of the year. In the third quarter Nokian Truck Tyres increased prices to offset higher contract manufacturing purchase costs caused by higher raw material prices. Further price increases will take place in the last quarter of the year.

In Q4/2010 the focus will be on increasing prices, streamlining logistics further and utilizing the stronger winter product range, especially the Nokian Hakkapeliitta Truck tyres for northern conditions. The expansion to Russia, CIS and Eastern Europe utilizing the “Vianor truck” service concept will continue.

RUSSIA AND THE CIS COUNTRIES

Nokian Tyres’ sales in Russia increased by 74.5% to EUR 141.4 million (81.1). Sales in CIS countries (excluding Russia) were EUR 13.4 million (46.9). Consolidated sales in Russia and CIS increased by 21.0% to EUR 154.8 million (127.9).

Sales in Russia grew significantly due to recovering consumer demand and distributors’ improving credit capability. Especially the winter tyre preseason sales increased substantially. Nokian Tyres improved market shares in Russia and strengthened its position as the market and price leader in the A-segment of premium branded tyres. Sales in other CIS countries declined due to the timing of preseason sales and delivery restrictions relating to distributors’ carry-over stocks.

The distribution network was extended by signing additional distribution agreements and expanding the Vianor network. The Vianor tyre chain was expanded by 23 franchising outlets in Q3/2010 and there were a total of 401 Vianor outlets in Russia and CIS countries at the end of the review period.

In the review period two new production lines have been taken into use in the Russian plant. The 8th production line has been operating since September. Productivity has improved along with the increased production volumes. A significant share of the production was exported.

Backed by the oil price the Russian Rouble strengthened against the Euro in the first half of the year. Russian economy recovered at an estimated real GDP growth of 4.0% in 1-9/2010 versus 1-9/2009. Russia is expected to show healthy growth of 4–5% this year. Consumer confidence and purchasing power improved in the review period.

New car sales, the main driver for premium tyres, increased by 18% in 1-9/2010 compared to 1-9/2009. The growth was 51% in Q3/2010 compared to Q3/2009. In September the new car sales increased by 55% year-over-year. The new car sales is supported by the scrappage incentive program, which has been announced to be extended into 2011, and the credit rates offered by banks (including loans subsidized by car manufacturers) returning to pre-crisis values. A recovery of new car sales with growth of more than 20% in 2010 and growth gaining momentum in 2011–2012 is presently forecasted. In used car market demand has exceeded supply in the review period. Western cars that were acquired in large amounts 2-4 years ago are now in need for both summer and winter replacement tyres.

The market potential with strong underlying consumer demand in Russia has become more evident with strong growth in car and tyre sales in the review period. The Nokian Tyres plant located in Russia inside the customs borders (duty 20% for imported tyres) combined with an expanding Vianor chain provides a significant competitive edge on the market.

INVESTMENTS

Investments in the review period amounted to EUR 30.6 million (76.9). This comprises of production investments in the Russian factory, moulds for new products and the Vianor expansion projects.

OTHER MATTERS

1. Stock options on the NASDAQ OMX Helsinki Stock Exchange

The Board of Directors of Nokian Tyres plc resolved to apply for listing of the stock options 2007B on the NASDAQ OMX (Helsinki Stock Exchange) so that the listing would commence on 1 March 2010.

The total number of stock options 2007B is 2,250,000. Each stock option 2007B entitles its holder to subscribe for one Nokian Tyres plc share. The shares can be subscribed with the stock options 2007B during 1 March 2010 - 31 March 2012. In the aggregate, the stock options 2007B entitle their holders to subscribe for 2,250,000 shares. The present share subscription price with stock options 2007B is EUR 22.97/share. The dividends payable annually shall be deducted from the share subscription price.

2. Shares subscribed with option rights

After 15 December 2009 registered increase in share capital a total of 1,835,020 Nokian Tyres plc’s shares have been subscribed with the 2004C option rights. These option rights are attached to the Nokian Tyres plc’s Option Programs of 2004. An increase in share capital relating to 2004C option rights totalling 367,004 euros was entered into the Trade Register on 25 February, 2010. The shares have been traded on the NASDAQ OMX Helsinki Ltd together with the old shares as of 26 February, 2010. After the increase, the number of Nokian Tyres shares was 126,686,410 and the share capital was EUR 25,337,222.00.

After 25 February 2010 registered increase in share capital a total of 503,420 Nokian Tyres plc’s shares have been subscribed with the 2004C option rights. These option rights are attached to the Nokian Tyres plc’s Option Programs of 2004. An increase in share capital relating to 2004C option rights totalling 100,684 Euros was entered into the Trade Register on 20 May, 2010. The shares have been traded on the NASDAQ OMX Helsinki Ltd together with the old shares as of 21 May, 2010. After the increase, the number of Nokian Tyres shares was 127,189,830 and the share capital was EUR 25,437,906.00.

After 20 May, 2010 registered increase in share capital a total of 150 Nokian Tyres plc’s shares have been subscribed with the 2007A option rights. These option rights are attached to the Nokian Tyres plc’s Option Programs of 2007. New shares have been registered into the Trade Register 19 August, 2010. The share capital will not increase with subscriptions made by 2007A option rights. The sum, corresponding to earlier nominal value, will be entered into the reserve for invested unrestricted equity. The shares have been traded on the NASDAQ OMX Helsinki Ltd together with the old shares as of 20 August, 2010. After the increase, the number of Nokian Tyres shares is 127,189,980 and the share capital remained EUR 25,437,906.00.

3. Share price development

The Nokian Tyres’ share price was EUR 25.19 (EUR 15.93) at the end of the review period. The volume weighted average share price during the period was EUR 19.68 (EUR 11.66), the highest EUR 25.38 (EUR 17.37) and the lowest EUR 15.89 (EUR 7.00). A total of 134,973,979 shares were traded during the period (179,873,310), representing 107% (144%) of the company's overall share capital. The company’s market value at the end of the period amounted EUR 3.191 billion (EUR 1.989 billion). The company’s percentage of Finnish shareholders was 37.1% (37.4) and 62.9% (62.6) were foreign shareholders registered in the nominee register. This figure includes Bridgestone's ownership of approximately 16%.

4. Decisions made at the Annual General Meeting

On 8 April, 2010, Nokian Tyres Annual General Meeting accepted the financial statements for 2009 and discharged the Board of Directors and the President and CEO from liability.

The meeting decided that a dividend of EUR 0.40 per share shall be paid for the period ending on 31 December, 2009. The dividend shall be paid to shareholders included in the shareholder list maintained by Euroclear Finland Ltd on the record date of 13 April, 2010. The dividend payment date is 23 April, 2010.

4.1 Members of the Board of Directors and Auditor

The meeting decided that the Board of Directors has seven members. Kim Gran, Hille Korhonen, Hannu Penttilä, Yasuhiko Tanokashira, Aleksey Vlasov, Petteri Walldén and Kai Öistämö will continue as Nokian Tyres’ Board of Directors. In a meeting held after the Annual General Meeting, Petteri Walldén was elected Chairman of the Board. Authorised public accountants KPMG Oy Ab continue as auditors.

4.2 Remuneration of the Members of the Board of Directors

The meeting decided that the fee paid to the Chairman of the Board is EUR 70,000 per year, while that paid to Board members is set at EUR 35,000 per year. With the exception of the President and CEO, members of the Board and the Nomination and Remuneration Committee are also granted an attendance fee of EUR 600 per meeting.

In addition, 60% of the annual fee be paid in cash and 40% in company shares, such that in the period from 8 April to 30 April, 2010, EUR 28,000 worth of Nokian Tyres plc shares will be purchased at the stock exchange on behalf of the Chairman of the Board and EUR 14,000 worth of shares on behalf of each Board member. This means that the final remuneration paid to Board members is tied to the company’s share performance. No separate compensation will be paid to the President and CEO for Board work.

4.3 Granting of stock options and the management’s share ownership plan

The meeting decided on the granting of stock options to the personnel of Nokian Tyres Group and to its fully owned subsidiary. The company has a weighty financial reason for issuing stock options since they are intended to form a part of the incentive and commitment programme for the personnel. The purpose of the issue is to encourage the personnel to work on a long-term basis to increase shareholder value. Another purpose of the stock options is to increase personnel commitment to the company. The stock options entitle their holders to subscribe for a maximum total of 4,000,000 new shares in the company. The stock options now issued can be exchanged for shares constituting a maximum total of 3 % of the company’s shares and votes of the shares, after the potential share subscription.

The subscription price for stock options is based on the market price of Nokian Tyres shares in NASDAQ OMX Helsinki Oy (Helsinki Stock Exchange) in April 2010, April 2011 and April 2012.

The share subscription period for stock options 2010A shall be 1 May 2012 – 31 May 2014, for stock options 2010B, 1 May 2013 – 31 May 2015 and for stock options 2010C, 1 May 2014 – 31 May 2016.

A share ownership plan shall be incorporated with the 2010 stock options, obliging the Group’s senior management to acquire the Company’s shares with a proportion of the income gained from the stock options. The stock option plan and the management’s share ownership plan have been introduced in more detail in the enclosure of AGM decisions press release.

4.4 Amendment to the Articles of Association

The meeting decided that the article regarding the invitation to a General Meeting of shareholders is amended, due to an amendment to the Finnish Companies Act now in effect, as follows:

9§ Invitation to Annual General Meeting
The invitation to Annual General Meeting must be published, in accordance with the Board of Directors’ decision, on the company’s website and in one national and one Tampere region daily newspaper, no earlier than three months before the record date referred to in Chapter 4, section 2, subsection 2 of the Finnish Companies Act and no later than three weeks before the Annual General Meeting. The invitation must, however, be delivered no later than nine days before the record date of the Meeting.

4.5 Donations to the institutes of higher education

The meeting authorised the Board to donate a maximum of EUR 500,000 to support universities and other institutes of higher education, and to decide on the payment schedules of donations and other terms relating to donations.

5. Changes in share ownership

Nokian Tyres received an announcement from BlackRock, Inc. on 25 February, 2010, according to which the ownership of Black Rock Investment Management (UK) Limited increased above the level of 10% of the share capital in Nokian Tyres plc as a result of a share transaction concluded on 22 February, 2010. Black Rock Investment Management (UK) Limited held on deal date a total of 12,565,454 Nokian Tyres’ shares representing 10,06% of company’s 124,851,390 shares and voting rights.

An increase in Nokian Tyres’ share capital relating to 2004C option rights totalling 367,004 euros was entered into the Trade Register on 25 February, 2010. After the increase, the number of shares rose to 126,686,410, and thus the ownership of Black Rock Investment Management (UK) Limited decreased below the level of 10% to 9.92% of shares and voting rights.

Nokian Tyres received an announcement from BlackRock, Inc. on 4 May 2010, according to which the ownership of Black Rock Investment Management (UK) Limited had increased above the level of 10% of the share capital in Nokian Tyres plc as a result of a share transaction concluded on 30 April 2010. Black Rock Investment Management (UK) Limited held on deal date a total of 12,809,656 Nokian Tyres’ shares representing 10.11% of company’s 126,686,410 shares and voting rights.

Nokian Tyres received an announcement from Invesco Limited on 24 June 2010, according to which the ownership of Invesco Limited had decreased under the level of 5% of the share capital in Nokian Tyres plc as a result of a share transaction concluded on 18 June 2010. Invesco Limited held on deal date a total of 6,321,453 Nokian Tyres’ shares representing 4.97% of company’s 127,189,830 shares and voting rights.

Nokian Tyres received an announcement from Invesco Limited on 9 July 2010, according to which the ownership of Invesco Limited had increased above the level of 5% of the share capital in Nokian Tyres plc as a result of a share transaction concluded on 5 July 2010. Invesco Limited held on deal date a total of 6,365,866 Nokian Tyres' shares representing 5.00% of company's 127,189,830 shares and voting rights.

Nokian Tyres received an announcement from Invesco Limited on 20 July 2010, according to which the ownership of Invesco Limited had decreased under the level of 5% of the share capital in Nokian Tyres plc as a result of a share transaction concluded on 12 July 2010. Invesco Limited held on deal date a total of 6,318,941 Nokian Tyres' shares representing 4.97% of company's 127,189,830 shares and voting rights.

RISKS, UNCERTAINTY AND DISPUTES IN THE NEAR FUTURE

Ongoing uncertainty related to governmental borrowing in Europe may cause disruption in the financial markets. This with the somewhat worrying news from U.S economy can still hurt GDP growth in Nokian Tyres' core markets during 2010.

Nokian Tyres other risks and uncertainty factors relate to significantly increased raw material prices and to company's ability to raise prices in line with the raw material cost in order to maintain profitability. An efficient ramp-up of new production lines in Russia will partly depend on the success of recruiting new work force from a tightening labour market.

A little over 35% of the Group's net sales are generated from euro-denominated sales. The most important sales currencies in addition to the euro are the Russian rouble, the US dollar, the Swedish and Norwegian krona and the Ukrainian hryvnia. The main risk facing Nokian Tyres in the near future is related to the development of the Ukrainian hryvnia.

Special attention will be drawn to controlling net working capital. Inventory and trade receivable rotation have improved compared to previous year in all business units. Russian trade receivables account for around 35% of the Group's total trade receivables.

Nokian Tyres has certain pending legal proceedings and litigations in some countries. At the moment, the company does not expect these proceedings to have any material impact on the performance or future outlook.

OUTLOOK FOR 2010

Tyre demand and deliveries have increased clearly driven by a recovery of consumer confidence, growth of GDP on Nokian Tyres’ core markets, growth in car sales and improved financing to distributors. Higher industrial activity in machine building supports growth of heavy tyre and truck tyre sales. Nokian Tyres’ order book is now very healthy in all product categories and some sales were postponed to Q4 due to demand exceeding supply capacity in Q3.

The improvement of productivity and profits at Nokian Tyres is supported by higher sales volumes and an increasing share of Russian production.

High raw material cost presents a challenge to Nokian Tyres’ margins during the last quarter. Raw material cost for full year 2010 is estimated to increase by approximately 10% compared to 2009.

Along with Nokian Tyres, major tyre manufacturers have announced further price increases to take effect in the autumn and winter. Seasonal improvement of mix and price increases in all product categories will help Nokian Tyres to defend the ASP.

A strong expanding distribution, good seasonal logistics, an improved cost structure with majority of production inside duty borders of Russia and CIS as well as new test winner products will give Nokian Tyres a good chance to strengthen its market leadership in the core markets and to continue profitable growth in 2010.

Outlook and guidance (unchanged):
In 2010, the company is positioned to clearly improve net sales and operating result compared to 2009.

INVESTMENTS IN 2010

Nokian Tyres’ total investments in 2010 will be approximately EUR 50 million (86.5). About EUR 20 million will be spent on moulds and equipment for new products and EUR 15 million (51.2) on the Russian plant’s operations.

Nokia, 3 November 2010
Nokian Tyres plc
Board of Directors

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The above-said information contains forward-looking statements relating to future events or future financial performance of the company. In some cases, such forward-looking statements can be identified by terminology such as ”may”, ”will”, ”could”, ”expect”, ”anticipate”, ”believe” ”estimate”, ”predict”, or other comparable terminology. Such statements are based on the current expectations, known factors, decisions and plans of the management of Nokian Tyres. Forward-looking statements involve always risks and uncertainties, because they relate to events and depend on circumstances that may or may not occur in the future. Future results may thus vary even significantly from the results expressed in, or implied by, the forward-looking statements.
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This interim report has been prepared in accordance with IFRS compliant recognition and measurement principles and the same accounting policies as in the most recent annual financial statements but it has not been prepared in compliance with all requirements set out in IAS 34 'Interim Financial Reporting'.

The interim report figures are unaudited.

NOKIAN TYRES
CONSOLIDATED INCOME STATEMENT

EUR million	7-9/10	7-9/09	1-9/10	1-9/09	Last 12 months	1-12/09
Net sales	245.2	204.1	689.4	550.8	937.1	798.5
Cost of sales	-144.6	-109.9	-398.8	-334.6	-542.2	-478.0
Gross profit	100.6	94.2	290.6	216.2	394.8	320.4
Other operating income	0.5	0.2	3.3	1.2	4.3	2.2
Selling and marketing expenses	-43.3	-39.4	-133.7	-124.4	-183.4	-174.1
Administration expenses	-6.2	-5.3	-18.8	-18.0	-25.2	-24.5
Other operating expenses	-3.3	-5.9	-11.0	-13.8	-19.3	-22.1
Operating result	48.3	43.7	130.4	61.2	171.1	102.0
Financial income	25.6	15.1	71.7	73.5	95.3	97.1
Financial expenses	-34.3	-26.8	-79.6	-108.0	-97.2	-125.7
Result before tax	39.6	32.1	122.5	26.7	169.2	73.5
Tax expense (1	-5.2	-4.5	-15.4	2.3	-32.8	-15.2
Result for the period	34.5	27.5	107.1	29.0	136.3	58.3
Attributable to:						
Equity holders of the parent	34.5	27.5	107.1	29.0	136.3	58.3
Non-controlling interest	0.0	0.0	0.0	0.0	0.0	0.0
Earnings per share from the result attributable to equity holders of the parent						
basic, euros	0.27	0.22	0.85	0.23	1.09	0.47
diluted, euros	0.27	0.22	0.84	0.26	1.08	0.49

CONSOLIDATED OTHER COMPREHENSIVE INCOME

EUR Million

	7-9/10	7-9/09	1-9/10	1-9/09	1-12/09
Result for the period	34.5	27.5	107.1	29.0	58.3
Other comprehensive income, net of tax:					
Gains/Losses from hedge of net investments in foreign operations	4.9	-3.5	-15.5	-14.3	-24.4
Interest rate swaps	-0.1	0.0	-0.9	0.0	0.1
Translation differences on foreign operations	-45.1	-0.5	24.0	-25.8	-12.8
Total other comprehensive income for the period, net of tax	-40.4	-4.0	7.7	-40.1	-37.0
Total comprehensive income for the period	-5.9	23.5	114.8	-11.0	21.2
Total comprehensive income attributable to:					
Equity holders of the parent	-5.9	23.5	114.8	-11.0	21.2
Non-controlling interest	0.0	0.0	0.0	0.0	0.0

1)Tax expense in the consolidated income statement is based on the taxable result for the period.

KEY RATIOS

KEY RATIOS	30.9.10	30.9.09	1-12/09
Equity ratio, %	58.2	50.5	62.0
Gearing, %	44.9	72.0	34.8
Equity per share, euro	6.71	5.80	6.07
Interest-bearing net debt, mill. euros	382.9	521.2	263.7
Capital expenditure, mill. euros	30.6	76.9	86.5
Depreciation, EUR million	52.1	45.8	61.9
Personnel, average	3,262	3,536	3,503
Number of shares (million units)			
at the end of period	127.19	124.85	124.85
in average	126.56	124.85	124.85
in average, diluted	132.59	129.41	129.76

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR million	30.9.10	30.9.09	31.12.09
Non-current assets			
Property, plant and equipment	490.5	509.6	507.6
Goodwill	57.9	54.9	55.0
Other intangible assets	17.1	19.6	19.2
Investments in associates	0.1	0.1	0.1
Available-for-sale financial assets	0.2	0.2	0.2
Other receivables	17.3	10.4	9.9
Deferred tax assets	34.4	31.4	28.7
Total non-current assets	617.6	626.2	620.7
Current assets			
Inventories	224.1	249.4	200.0
Trade receivables	464.1	408.2	248.0
Other receivables	115.6	132.9	90.7
Cash and cash equivalents	47.1	16.3	62.5
Total current assets	850.9	806.8	601.2
Equity			
Share capital	25.4	25.0	25.0
Share premium	181.4	155.2	155.2
Translation reserve	-81.6	-93.1	-90.2
Fair value and hedging reserves	-0.9	-0.1	0.0
Paid-up unrestricted equity reserve	0.0		0.0
Retained earnings	728.7	636.6	667.6
Non-controlling interest	0.0	0.0	0.0
Total equity	853.1	723.6	757.6
Non-current liabilities			
Deferred tax liabilities	29.9	27.5	29.4
Provisions	1.4	1.2	1.4
Interest bearing liabilities	203.1	214.7	253.8
Other liabilities	3.1	2.1	2.1
Total non-current liabilities	237.6	245.4	286.7
Current liabilities			
Trade payables	65.2	45.5	33.8
Other current payables	85.1	94.5	70.7
Provisions	0.7	1.1	0.7
Interest-bearing liabilities	226.9	322.8	72.4
Total current liabilities	377.9	464.0	177.6
Total assets	1,468.5	1,433.0	1,221.9

Changes in net working capital arising from operative business are partly covered by EUR 250 million domestic commercial paper programme.

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR million	1-9/10	1-9/09	1-12/09
Cash flows from operating activities:			
Cash generated from operations	9.0	-67.8	228.5
Financial items and taxes	-62.1	-5.7	-34.3
Net cash from operating activities	-53.2	-73.5	194.2
Cash flows from investing activities:			
Net cash used in investing activities	-27.2	-76.9	-92.8
Cash flows from financing activities:			
Proceeds from issue of share capital	26.6	0.0	0.1
Change in current financial receivables and debt	183.8	281.3	-117.2
Change in non-current financial receivables and debt	-95.9	-177.4	15.4
Dividends paid	-50.7	-49.9	-49.9
Net cash from financing activities	63.8	54.0	-151.7
Net change in cash and cash equivalents	-16.5	-96.3	-50.2
Cash and cash equivalents at the beginning of the period	62.5	113.2	113.2
Effect of exchange rate changes	1.1	-0.6	-0.5
Cash and cash equivalents at the end of the period	47.1	16.3	62.5
	-16.5	-96.3	-50.2

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

A = Share capital
B = Share premium
C = Translation reserve
D = Paid-up unrestricted equity reserve
E = Fair value and hedging reserves
F = Retained earnings
G = Non-controlling interest
H = Total equity

	Equity attributable to equity holders of the parent							
EUR million	A	B	C	D	E	F	G	H
Equity, Jan 1st 2009	25.0	155.2	-53.0		-0.1	647.6	2.7	777.3
Dividends paid						-49.9		-49.9
Exercised warrants	0.0	0.0						0.0
Share-based payments						9.0		9.0
Other changes						0.9		0.9
Total comprehensive income for the period			-40.1		0.0	29.0		-11.0
Change in non-controlling interest							-2.7	-2.7
Equity, Sep 30th 2009	25.0	155.2	-93.1		-0.1	636.6	0.0	723.6
Equity, Jan 1st 2010	25.0	155.2	-90.2	0.0	0.0	667.6	0.0	757.6
Dividends paid						-50.7		-50.7
Exercised warrants	0.5	26.1		0.0				26.6
Share-based payments						4.7		4.7
Total comprehensive income for the period			8.6		-0.9	107.1		114.8
Equity, Sep 30th 2010	25.4	181.4	-81.6	0.0	-0.9	728.7	0.0	853.1

SEGMENT INFORMATION

EUR million	7-9/10	7-9/09	1-9/10	1-9/09	1-12/09
Net sales					
Passenger car tyres	174.7	146.7	493.3	391.7	527.3
Heavy tyres	18.3	12.0	55.4	34.8	50.1
Vianor	64.5	57.3	185.3	168.7	273.2
Other operations	12.4	9.7	28.5	19.2	28.5
Eliminations	-24.5	-21.6	-73.1	-63.6	-80.7
Total	245.2	204.1	689.4	550.8	798.5
Operating result					
Passenger car tyres	48.7	43.3	135.6	78.1	106.2
Heavy tyres	1.7	1.8	9.5	-2.2	0.0
Vianor	-2.8	-2.2	-7.9	-10.8	-3.0
Other operations	2.1	1.0	1.6	-2.8	-5.0
Eliminations	-1.4	-0.3	-8.4	-1.0	3.7
Total	48.3	43.7	130.4	61.2	102.0
Operating result, % of net sales					
Passenger car tyres	27.9	29.5	27.5	19.9	20.1
Heavy tyres	9.5	15.1	17.1	-6.4	0.0
Vianor	-4.4	-3.8	-4.3	-6.4	-1.1
Total	19.7	21.4	18.9	11.1	12.8
Cash Flow II					
Passenger car tyres	2.8	-20.4	-7.7	-102.1	109.9
Heavy tyres	-1.8	-1.2	-3.1	-0.6	5.7
Vianor	-13.2	-10.7	-22.3	-18.6	7.6
Total	-12.0	-37.5	-39.3	-126.1	123.1

CONTINGENT LIABILITIES EUR million	30.9.10	30.9.09	31.12.09
FOR OWN DEBT			
Mortgages	1.0	0.9	0.9
Pledged assets	0.0	35.1	35.8
OTHER OWN COMMITMENTS			
Guarantees	6.0	3.0	5.5
Leasing and rent commitments	102.4	105.9	101.1
Purchase commitments	1.7	4.2	3.4

DERIVATIVE FINANCIAL INSTRUMENTS EUR million	30.9.10	30.9.09	31.12.09
INTEREST RATE DERIVATIVES			
Interest rate swaps			
Notional amount	90.8	4.0	3.9
Fair value	-1.8	-0.2	0.0
FOREIGN CURRENCY DERIVATIVES			
Currency forwards			
Notional amount	360.9	438.1	427.2
Fair value	9.5	-12.4	-7.1
Currency options, purchased			
Notional amount	43.1	47.4	3.9
Fair value	0.8	0.3	0.0
Currency options, written			
Notional amount	86.6	91.4	3.9
Fair value	-0.6	-0.9	-0.1

DEFINITIONS OF CONSOLIDATED KEY FINANCIAL INDICATORS

Earnings per share, euro:
Result for the period attributable to the equity holders of the parent / Average adjusted number of shares during the period

Earnings per share (diluted), euro:
Result for the period attributable to the equity holders of the parent / Average adjusted and diluted number of shares during the period

The share options affect the dilution as the average share market price for the period exceeds the defined subscription price.

Equity ratio, %:
Total equity x 100 / (Total assets - advances received)

Gearing, %:
Interest-bearing net debt x 100 / Total equity

Equity per share, euro:
Equity attributable to equity holders of the parent / Adjusted number of shares on the reporting date

Operating margin:
Operating result, % of net sales

DEFINITIONS OF SALES AREAS

Nordic countries: Finland, Norway, Sweden.

Russia and CIS:
Russia, Armenia, Belarus, Georgia, Kazakhstan, Moldova, Ukraine.

Central and Eastern Europe:
Albania, Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, The Former Yugoslav Republic of Macedonia, Montenegro, Netherlands, Poland, Portugal, Romania, Serbia, Slovakia, Slovenia, Spain, Switzerland, Turkey, United Kingdom.

North America: Canada, USA.

Nokian Tyres plc

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Nokian Tyres plc will publish interim report January-September, 2010 on Wednesday 3 November, 2010 at 8.00 am Finnish time.

The result presentation to analysts and media will be held in Helsinki at 10.00 am Finnish time. The presentation can be listened through audiocast via internet at http://www.nokiantyres.com/resultinfo2010q3

To be able to ask questions during the event you can participate in the conference call. Please dial in 5-10 minutes before the beginning of the event: +44 (0)20 7162 0025. Password: 878396, Nokian Tyres

Stock exchange release and presentation material will be available before the event from http://www.nokiantyres.com/ir-calendar
After the event the audio recording can be downloaded from the same page.

Nokian Tyres result 2010 will be published on February, 2011.
Releases and company information will be found from http://www.nokiantyres.com